STATE OF MICHIGAN

IN THE SUPREME COURT

CITY OF HUNTINGTON WOODS, a Michigan Municipal Corporation and CITY OF PLEASANT RIDGE, a Michigan Municipal Corporation,

Plaintiffs/Counter-Defendants/Appellants,

-vs-

CITY OF OAK PARK, a Michigan Municipal Corporation, and 45th DISTRICT COURT, a Division of the State of Michigan, jointly and severally,

Defendants/Counter-Plaintiffs/Appellees.

_____/

Supreme Court No. 152035

Court of Appeals No. 321414

Oakland County Circuit Court No. 13-135842-CZ

PLAINTIFFS/COUNTER-DEFENDANTS/APPELLANTS' BRIEF SUBMITTED PURSUANT TO THE COURT'S FEBRUARY 3, 2016 ORDER

MARK GRANZOTTO, P.C.

MARK GRANZOTTO (P31492)
Attorney for Plaintiffs/Counter-Defendants/Appellants
2684 Eleven Mile Road, Suite 100
Berkley, Michigan 48072
(248) 546-4649

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STATEMENT OF FACTS

In July 2015, the City of Huntington Woods and the City of Pleasant Ridge filed an application for leave to appeal in this Court, seeking review of the Court of Appeals June 11, 2015 decision. *City of Huntington Woods v City of Oak Park*, 311 Mich App 96; 874 NW2d 214 (2015). That decision affirmed a circuit court ruling granting summary disposition to the defendants on both the plaintiffs' complaint and on the Oak Park's counterclaim.

On February 3, 2016, the Court issued an order directing the Clerk to schedule oral argument on plaintiffs' application for leave. *City of Huntington Woods v City of Oak Park,* ___ Mich ___; 873 NW2d 779 (2016). The Court's February 3, 2016 order also instructed the parties to file supplemental briefs addressing three issues:

> (1) whether in the absence of an agreement for joint funding of a district court in districts of the third class where the court sits in only one political subdivision, all district funding units within the district have an independent obligation to fund the court; (2) whether the parties in this case agreed that the 45th District Court would be funded entirely by the City of Oak Park; and (3) whether revenue from fees collected for building operations and retiree benefits is subject to revenue sharing under MCL 600.8379(l)(c).

ARGUMENT

I. WHETHER ALL POLITICAL SUBDIVISIONS WITHIN A JUDICIAL DISTRICT OF THE THIRD CLASS HAVE AN INDEPENDENT OBLIGATION TO FUND THE COURT WHERE THE COURT SITS IN ONLY ONE OF THE POLITICAL SUBDIVISIONS WITHIN THAT DISTRICT.

The first question that the Court has posed in its February 3, 2016 order concerns the funding obligation of a political subdivision within a judicial district of the third class, where the district court is situated in only one of the political subdivisions within that district.

The general rule as established by the Michigan Legislature is that there is no such obligation for cities like Huntington Woods and Pleasant Ridge, which, at the very incepton of the 45th District Court expressly waived their right to have the district court sit within their cities.[1]

By definition, a judicial district of the third class is "a district consisting of one or more political subdivisions . . . in which each political subdivision comprising the district *is responsible for maintaining, financing and operating the district court within its respective political subdivision*." MCL 600.8103(3) (emphasis added).

MCL 600.8103(3) sets out the general rule that a political subdivision that comprises a judicial district of the third class is responsible only for financing and operating a district court that is located within its borders. That general rule is restated in MCL 600.8104(2), which provides:

> (2) Except as otherwise provided in this act, a district funding unit shall be responsible for maintaining, financing, and operating the court only within its political subdivision. *In districts of the third class a political subdivision shall not be responsible for the expenses of maintaining, financing, or operating the district court, traffic bureau, or small claims division incurred in any other political subdivision* except as provided by section 8621 and other provisions of this act.
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> MCL 600.8104(2) (emphasis added).

According to the first sentence of MCL 600.8104(2), the general rule is that a district funding

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[1]Among the arguments that Oak Park has mustered is that it defies "common sense" that cities such as Huntington Woods and Pleasant Ridge could avoid all district court funding responsibilities simply by waiving the right to have the district court sit within their city limits. The suggestion in Oak Park's brief is that all political subdivisions in a district court of the third class would have an incentive to execute such a waiver. This argument, however, ignores the fact that the plaintiffs have statutory funding responsibilities that result from the waiver under the terms of MCL 600.8379(1)(c). This argument further ignores the fact that neither Huntington Woods nor Pleasant Ridge could unilaterally waive locating the district court within their borders. Rather, under MCL 600.8251(3), the waiver that the plaintiffs executed would only be effective if the district court also agreed that it would not sit in either Huntington Woods or Pleasant Ridge.

unit is responsible for "maintaining, financing and operating" a district court only if that court is located within that political subdivision. The second sentence of §8104(2) reinforces the fact that this general rule applies to districts of the third class - no political subdivision comprising a district of the third class "shall be responsible for the expenses of maintaining, financing, or operating the district court . . . in any other political subdivision . . ."[2]

As applied to this case, the general rule established by §8103(3) and §8104(2) dictates the conclusion that Huntington Woods and Pleasant Ridge do not have the obligation to fund the 45th District Court since, by long-standing agreement among the parties, that district court sits exclusively in Oak Park.[3]

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[2]A third statute also conveys the fact that the responsibility for maintaining and operating a district court rests solely with the political subdivision that houses the court. That third statute is MCL 600.8261, which provides that in districts of the third class "court facilities . . . shall be provided by each political subdivision where the court sits."

[3]It is somewhat curious that both of the defendants have relied on language contained in this Court's decision in *Judges of the 74th Judicial District v Bay County*, 385 Mich 710; 190 NW2d 219 (1971), to support their position that the plaintiffs have an independent obligation to fund the 45th District Court. The language that the defendants point to from *Judges of the 74th Judicial District* is the following sentence: "Where a judicial district consists of more than one district control unit, each unit is required to contribute to the expenses of the court." 385 Mich at 726. The defendants have intimated that this comment from *Judges of the 74th Judicial District* is somehow dispositive of the dispute in this case. What the defendants have failed to note is that this Court, in indicating in *Judges of the 74th Judicial District* that each political subdivision has an independent funding responsibility, cited to MCL 600.8104. The Court did so because, at the time relevant to *Judges of the 74th Judicial District*, MCL 600.8104 specifically provided that "[i]n districts consisting of more than 1 district control unit each district control unit shall contribute to the expenses of the court . . . in the same proportion as the population of the district control unit bears to the population of all district control units within the district." However, MCL 600.8401 as it existed at the time relevant to *Judges of the 74th Judicial District* was substantially altered by amendment to its present form. Under that amendment, MCL 600.8104 was changed from a statute that expressly provided for independent funding responsibility on the part of each district control unit to one in which the general rule became that a political subdivision in a multi-body judicial district has no funding responsibilities with respect to a court that is housed outside its borders. What can be said with compete assurance is that the above-

The general rule provided in §8103(3) and §8104(2) is qualified; that general rule limiting the funding responsibility of a political subdivision that does not house a district court applies "except as provided by section 8621 and other provisions of this act." MCL 600.8104(2). One of the statutory exceptions to the limitation of a political subdivision's funding responsibilities for a district court located outside its borders is found in the next subsection of §8104:

> (3) One or more district funding units within any district may agree among themselves to share any or all of the expenses of maintaining, financing, or operating the district court. To become effective such agreements must be approved by resolution adopted by the governing body of the respective political subdivisions entering into the agreement, and upon approval such agreements shall become effective and binding in accordance with, to the extent of, and for such period stated in that agreement.

MCL 600.8104(3).

MCL 600.8104(3) provides that a district funding unit within a district of the third class that otherwise has no obligation to fund a district court that sits outside its borders, "may agree . . . to share any or all of the expenses of maintaining, financing, or operating the district court . . ." Thus, §8103(3)'s and §8104(2)'s general rule limiting a political subdivision's funding responsibility only to a district court housed within its borders may be altered by an express agreement that conforms to the requirements set out in §8104(3).

A second exception to the general limitation on financial support for a district court located

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quoted language that the defendants have drawn from *Judges of the 74th Judicial District* offers no help whatsoever for the position that they have taken in this case. This is because the entirety of the defendants' argument is constructed on language contained in a particular statutory provision, MCL 600.8271(1). Since that provision was not enacted until 1996, there is no question that this statute could not have been the basis for this Court's observations in its 1971 decision in *Judges of the 74th Judicial District* .

in another political subdivision is found in MCL 600.8379(1)(c).[4] That statute sets up a source of funding in the specific situation presented in this case - where the district court sits in only one political subdivision of a multi-governmental unit judicial district of the third class. In that circumstance, the political subdivision where the court sits retains 2/3 of all of the fees and costs assessed on any ticket issued in one of the municipalities that does not house the district court.

Huntington Woods and Pleasant Ridge, therefore, do not dispute that, having elected (at the express urging of Oak Park's City Manager[5]) not to have the 45th District Court sit within their

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[4]This provision of the District Court Act provides:

> (1) Fines and costs assessed in the district court shall be paid to the clerk of the court who shall appropriate them as follows:
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> * * *
>
> (c) . . . In districts of the third class, all fines and costs, other than those imposed for the violation of a penal law of this state or ordered in a civil infraction action for the violation of a law of this state, shall be paid to the political subdivision whose law was violated, except that where fines and costs are assessed in a political subdivision other than the political subdivision whose law was violated, 2/3 shall be paid to the political subdivision where the guilty plea or civil infraction admission was entered or where the trial or civil infraction action hearing took place and the balance shall be paid to the political subdivision whose law was violated.

MCL 600.8379(1)(c).

[5]Among the policy arguments that Oak Park raises is that under the interpretation of the District Court Act that plaintiffs propose, a city could waive the right to have a district court sit within its boundaries thereby invoking the general rule of §8103(3) and §8104(2), "without the community where the Court will sit having any say in the matter." Supplemental Brief, at 14. Whether such an eventuality could ever occur is perhaps open to question. What is not open to question is that the eventuality that Oak Park imagines in an apparent attempt to scare the Court did not occur in this case. To the contrary, the facts of this case demonstrate that *Oak Park wanted Huntington Woods and Pleasant Ridge to waive their right to have the 45th District Court sit in their cities.* Indeed, Oak Park wanted this result so much that its City Manager actually went to the trouble of drafting model ordinances that Huntington Woods and Pleasant Ridge

borders, they have a statutory obligation to fund that court by giving up 2/3 of all of the fines and costs generated on citations written within these two cities.[6] What this case is about is whether, quite apart from the statutory funding obligation that plaintiffs have assumed under §8379(1)(c), they have a completely independent obligation to provide funding for the district court's operations.

The Court of Appeals found such an independent funding obligation in MCL 600.8271(1), which provides:

> (1) The governing body of each district funding unit shall annually appropriate, by line-item or lump-sum budget, funds for the operation of the district court in that district. However, before a governing body of a district funding unit may appropriate a lump-sum budget, the chief judge of the judicial district shall submit to the governing body of the district funding unit a budget request in line-item form with appropriate detail. A court that receives a line-item budget shall not exceed a line-item appropriation or transfer funds between line items without the prior approval o the governing body. A court that receives a lump-sum budget shall not exceed that budget without the prior approval of the governing body.
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> MCL 600.8271(l).

According to the Court of Appeals, despite the explicit limitation imposed in §8103(3) and §8104(2) on the funding responsibilities of a political subdivision where a district court does not sit, the language of §8271(1) imposes an independent obligation on Huntington Woods and Pleasant Ridge to fund the 45th District Court. The Court of Appeals reached this result on the ground that the general rule found in §8103(3) and §8104(2) eliminating the funding responsibilities for cities

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could use to effectuate that waiver.

[6]In the Supplemental Brief that has been submitted on behalf of the 45th District Court, that defendant has acknowledged the funding component of §8379(1)(c). The 45th District Court states in that brief: "[Plaintiffs] do fund the 45th District Court through MCL 600.8379(1)(c)'s revenue sharing; thus, Oak Park does not 'entirely' fund the 45th District Court, and it never has." Supplemental Brief, at 17. A central question presented in plaintiffs' application is whether the enactment of §8379(1)(c)'s was intended by the Michigan Legislature to be the sole funding to be provided to a district court by a political subdivision that does not house the court.

such as Huntington Woods and Pleasant Ridge is subject to the qualification "except as otherwise provided in this act." Thus, the Court of Appeals viewed §8271(1) as an exception to the general rule with respect to District Court funding set out in §8103(3) and §8104(2).

As plaintiffs have explained in their application for leave, the Court of Appeals analysis of §8271(1) cannot be correct for a number of different reasons. Not the least of these reasons is that, as interpreted by the Court of Appeals, §8271(1) would not constitute a mere *exception* to the general rule set out in §8103(3) and §8104(2), it would serve to completely *eliminate* that general rule altogether.

To accept the Court of Appeals interpretation of §8271(1) one would have to conclude that the Legislature established a general rule in these circumstances in what is clear and mandatory language: "a district funding unit *shall be* responsible for maintaining, financing and operating the court *only* within its political subdivision . . ." MCL 600.8104(2) (emphasis added). But, if the defendants and the Court of Appeals were correct in their interpretation of §8271(1), after adopting this clear, mandatory general rule, the Legislature passed another statute that guaranteed that this general rule would *never* apply in any setting. This makes no sense.[7]

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[7]In their application for leave, plaintiffs pointed out several other considerations that, when construing the District Court Act as a whole, rendered the Court of Appeals holding in this case dubious. These factors include: (1) the Court of Appeals broad interpretation of §8271(1) rendered nugatory §8104(2)'s reference to a specific statutory exception, MCL 600.8621, to the general rule that political subdivisions in which a district court does not sit have no funding responsibilities for the district court. *Cf People v Cunningham*, 496 Mich 145, 154-155; 852 NW2d 118 (2014); (2) the lack of legislative intent to create in §8271(1) a funding statute that completely eliminated the general rule of §8103(3) and §8104(2) is reflected in the fact that §8271(1) contains no indication as to how these alleged funding responsibilities are to be shared; and (3) the combination of §8271(1) as read by the Court of Appeals and the existing statutory funding outlined §8379(1)(c) would result in a windfall for Oak Park. Since that application for leave was filed the defendants have now filed a combined total of four briefs before this Court. In those four briefs, the defendants have elected to stand mute in the face of each of these

Reading the relevant sections of the District Court Act as a whole "in the context of the entire legislative scheme," *Madugula v Taub*, 496 Mich 685, 696; 853 NW2d 75 (2014), this Court should construe §8271(1) for what it is - a statute governing the mechanism by which district funding units are to *appropriate* funding for a district court. That statute provides that the chief judge of the judicial district is to first submit to the governing body of the district funding unit a budget request in line-item form. Thereafter, the district funding unit is to appropriate in a line-item or lump-sum budget, the funds necessary for the operation of the district court.

But, while §8271(1) describes the process by which a "district funding unit" is to *appropriate* funding for a district court, that statute should be confined solely to "district funding units" that otherwise have financial responsibility for a district court. In other words, to make sense of the rest of the District Court Act, §8271(1) should be construed as describing the process by which appropriations are made for the funding of a district court. But, that statute does nothing to alter the general rule set out in §8103(3) and §8104(2) as to which political subdivisions actually have responsibility of "maintaining, financing, and operating the district court."

Stated somewhat differently, when §8271(1) speaks to "each district funding unit" and the duties of that funding unit to appropriate funds for the operation of the district court, that provision must be read in tandem with §8104(2) which explicitly provides that "a district funding unit shall

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analytical difficulties created by the interpretation of §8271 that they press on this Court. Having had four opportunities to rebut each of these points and having failed to do so in each of their briefs, the Court should conclude that the defendants have elected to ignore each of these points because they have nothing to offer to rebut them. They have no argument that their interpretation of §8271 renders nugatory the language in §8104(2) with respect to §8621; they have no argument that their position assumes that the legislature set up a funding statute without any indication as to how that funding responsibility was to be divided; and they have no argument to rebut the fact that their position would result in enormous windfall for Oak Park.

be responsible for maintaining, financing, and operating the court only within its political subdivision." MCL 600.8271's coverage as to the process that a political subdivision must follow as it *appropriates* funds for a district court must be confirmed to the political subdivisions who actually have such a funding obligation under the relevant statutes. Since under §8103(3) and §8104(2) neither Huntington Woods nor Pleasant Ridge have an obligation to fund a district court that sits outside its borders other than the funding called for by §8379(1)(c), they need not engage in the appropriations process called for by §8271(1).

II. WHETHER THE DEFENDANTS WERE ENTITLED TO SUMMARY DISPOSITION ON THE QUESTION OF WHETHER THE PARTIES AGREED THAT THE 45TH DISTRICT COURT WOULD BE FUNDED ENTIRELY BY OAK PARK.

The second issue on which the Court has asked for supplemental briefing concerns the question of whether the parties ever reached an agreement under which Oak Park would be the exclusive source of funding for the 45th District Court.

The plaintiffs instituted this action in August 2013. In December 2013, months before the discovery cut-off date set by the circuit court, defendants filed their motion for summary disposition in which they contended that Huntington Woods and Pleasant Ridge had an independent obligation under §8271(1) to fund the operations of the district court.

In their response to this motion, the plaintiffs argued that they had an express or implied agreement with Oak Park, under which the parties had reached agreement that Oak Park would be the sole funding source for the district court. There is no dispute that such an agreement, if it existed, would be enforceable assuming that the requirements set out in §8104(3) were complied with. That statute allows the political subdivisions that comprise a judicial district of the third class

to reach agreement on the issue of court funding "by resolution adopted by the governing body of the respective political subdivisions entering into the agreement . . ."

In moving for summary disposition, Oak Park *announced* that no agreement satisfying §8104(3)'s requirements existed. Thus, Oak Park *stated* in its summary disposition papers that a search of its records had not revealed any resolution that it passed assuming sole funding responsibility for the district court.

What plaintiffs have raised in their application for leave to appeal is that Oak Park's *announcement* in its summary disposition motion that no such agreement existed is not sufficient to support the circuit court's award of summary disposition. Under MCR 2.116(G)(3), the summary disposition motion that defendants filed in this case had to be supported by "affidavits, depositions, admissions, or other documentary evidence." There was no such support offered for Oak Park's *assertion* that no agreement existed that complied with §8104(3) as to the funding of the 45th District Court.

While there was no documentary evidence meeting the requirements of MCR 2.116(G)(3) to support Oak Park's claim that it did not enter into an agreement to assume sole funding responsibility for the district court, there was circumstantial evidence in the summary disposition record supporting the existence of such an agreement.

That circumstantial evidence came in the form of a 1983 resolution passed by the Oak Park City Council. In that resolution, the City Council acknowledged that since the formation of the 45th District Court in 1975, Oak Park had served as "*the* district control unit" for the district court. Resolution (Plaintiffs' Application Exhibit C), at 9 (emphasis added). Thus, there was some evidence in the record supplied by Oak Park's own City Council that it had done something to

assume the role as the sole source of funding for the 45th District Court.

Based on the record that was before the circuit court, it was inappropriate for the Court of Appeals to uphold summary disposition on the question raised in this case as to the existence of an agreement among all of the parties as to Oak Park assuming sole funding responsibility for the district court.

III. THE REVENUE COLLECTED FOR BUILDING OPERATIONS AND RETIREE BENEFITS WAS SUBJECT TO MCL 600.8379(1)(c).

The final question on which the Court has asked for additional briefing concerns the claim for relief in plaintiffs' original complaint. In that complaint, plaintiffs alleged that the defendants had violated §8379(1)(c), the statute that requires a 2/3 - 1/3 split between Oak Park and the plaintiffs of all "fines and costs" assessed in the 45th District Court on citations issued in Huntington Woods and Pleasant Ridge.

The defendants argued that these additional assessments did not fall within the coverage of §8379(1)(c) because they were not "fines or costs" as used in that statute. Instead, defendants insisted these assessments were "fees." The sole basis on which the defendants offered this distinction was a statute, MCL 600.4801. The Court of Appeals adopted defendants' argument, finding that these assessments met the definition of "fees" in MCL 600.4801 and, on that basis, it rejected plaintiffs' claims based on §8379(1)(c).

The Court of Appeals reliance on §4801 was seriously misguided. That statute, by its own terms, is a definitional section that applies *only* to Chapter 48 of the Revised Judicature Act (RJA), the section of RJA that pertains to the collection of penalties, fines and forfeited recognizance. MCL 600.4801's definitions, therefore, have no application to §8379(1)(c), which is contained in Chapter

83 of the RJA.

Quite apart from the Court of Appeals inexplicable failure to account for the first five words of §4801, there are additional reasons why that statute cannot be interpreted as the Court of Appeals did. MCL 600.4801 provides in relevant part:

> As used in this chapter
>
> (a) "Costs" means any monetary amount that the court is authorized to assess and collect for prosecution, adjudication, or processing of criminal offenses, civil infractions, civil violations, and parking violations, including court costs, the cost of prosecution, and the cost of providing court-ordered legal assistance to the defendant.
>
> (b) "Fee" means any monetary amount, other than costs or a penalty, that the court is authorized to impose and collect pursuant to a conviction, finding of responsibility, or other adjudication of a criminal offense, a civil infraction, a civil violation, or a parking violation, including a driver license reinstatement fee.
>
> (c) "Penalty" includes fines, forfeitures, and forfeited recognizance.
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> *Id*.

As defined for purposes of Chapter 48 of the RJA, "costs" and "fees" both represent monetary assessments that a "court is authorized to impose and collect" as a result of the adjudication of a crime, a civil infraction or a civil violation. But, as plaintiffs have previously detailed in their application for leave, this concept of a "fee" associated with an adjudication of responsibility for a crime, a civil infraction or a civil violation is completely foreign to the provisions of the District Court Act, which §8379 is a part of. The concept of "fees" in the District Court Act pertains to certain assessments associated with the use of the court and its services. *See* Plaintiffs' Application for Leave, at 36-37. The term "fees" as used in the the District Court Act has nothing to do with additional assessments associated with the adjudication of a charge made against an individual in a district court.

In interpreting the reach of §8379(1)(c), it is far more logical to analyze the distinctions that defendants would have the Court draw – that the assessments in question are fees and not costs – by considering the use of these two terms with the district court provisions of the RJA rather than the definitions of these terms in Chapter 48 of the RJA. And, a careful study of these district court provisions reveals that they never use the term "fee" in the same way that §4801(b) defines it, *i.e.* "any monetary amount . . . impose[d] and collect[ed] pursuant to a conviction, finding of responsibility, or other adjudication of a criminal offense."

There is additional error in the Court of Appeals' treatment of this issue. The distinction that §4801 draws between "costs" and "fees" for purposes of Chapter 48 of the RJA is that the former represents assessments that a court is authorized to impose "for prosecution, adjudication or processing" of infractions and violations, MCL 600.4801(a), while "fees" do not apparently have to be associated with the "prosecution, adjudication or processing" of district court cases.

This distinction drawn between "costs" and "fees" for purposes of Chapter 48 of the RJA is once again directly contrary to the provisions of the District Court Act. This point is most clearly demonstrated in MCL 600.8381, the statute that addresses the costs that may be imposed in a district court case. That statute provides in relevant part:

> (1) Until October 1, 2003, when fines and costs are assessed by a magistrate, a traffic bureau, or a judge of the district court, not less than $9.00 shall be assessed as costs and collected for each conviction or civil infraction determination and each guilty plea or civil infraction admission except for parking violations. Of the costs assessed and collected, for each conviction or civil infraction determination and each guilty plea or civil infraction admission, $9.00 shall be paid to the clerk of the district court.
>
> (2) The clerk of the district court, on or before the fifteenth day of the month following the month in which costs are collected under subsection (1), shall transmit the following amounts:

> (a) Until October 1, 2003, the clerk shall transmit 45 cents of the costs collected to the executive secretary of the *Michigan judges retirement system created by the judges retirement act of 1992*, 1992 PA 234, MCL 38.2101 to 38.2670, and shall transmit $8.55 of the costs collected to the state treasurer. Of each $8.55 received, the state treasurer shall deposit 30 cents in *the legislative retirement fund created by the Michigan legislative retirement system act*, 1957 PA 261, MCL 38.1001 to 38.1080; $4.25 in the court equity fund created under section 151b; and shall deposit the balance in the state court fund created by section 151a.
>
> (b) Beginning October 1, 2003, *the clerk shall transmit $9.00 of any costs assessed before October 1, 2003 to the justice system fund* created in section 181 of the revised judicature act of 1961, 1961 PA 236, MCL 600.181
>
> MCL 600.8381(1)-(2) (emphasis added).

MCL 600.8381(2)(a) characterizes as "costs" to be assessed in a district court action prior to October 1, 2003, various amounts to be remitted to the Michigan judges retirement system as well as amounts to be paid to the legislative retirement fund. Neither one of these assessments would meet the definition of "costs" in §4801(a), since neither would appear to be connected to the "prosecution, adjudication or processing" of civil infractions. Despite that fact, these assessments are unquestionably treated as "costs" in §8381(2)(a).

Moreover, as of October 1, 2003, §8381(2)(b) calls for a portion of the costs assessed in a district court proceeding to be paid to the justice system fund. That fund is the creation of another Michigan statute, MCL 600.181, and it calls for the distribution of such assessments to fund a variety of law enforcement, public safety, and court administration functions. *See* MCL 600.181(3).

Once again, the various programs that the justice system fund supports could not be classified as directly associated with the "prosecution, adjudication, or processing" of a particular criminal offense or civil infraction adjudicated in a district court. Thus, the amounts remitted to the justice system fund would not fit within the definition of "costs" provided in §4801(a). Yet, there is no

question that the amounts remitted to the justice system fund under §8381(2)(b) are expressly defined in that statute as "costs."

What should, therefore, be readily apparent from §8381(2) is that the District Court Act's conception of a "cost" is far broader in scope than that described in §4801(a). For this reason as well, the Court of Appeals application of the definition found in Chapter 48 of the RJA to this case represented error.

Finally, even if the Court of Appeals had been correct and the definitions provided in §4801 could somehow be transported to §8379, the Court of Appeals conclusion that the additional assessments that Oak Park and the 45th District Court began imposing in 1995 were "fees" and not "costs" was still wrong. The additional assessments at issue in this case were designed to cover the pension benefits of district court personnel as well as the district court's building maintenance fund. Contrary to the conclusion reached by the Court of Appeals, these costs were associated with the "prosecution, adjudication, or processing" of the cases adjudicated in the district court and on that basis meet the definition of "costs" in §4801(a).

MCL 600.8727(3) provides that a district court judge "shall summarily tax and determine the costs of the action, which are not limited to the costs taxable in ordinary civil actions and *may include all expenses, direct and indirect*, to which the plaintiff has been put in connection with the municipal civil infraction . . ." MCL 600.8727(3)(emphasis added); *cf People v Wallace*, 245 Mich 310, 314; 222 NW 698 (1929) (costs assessed in a criminal case "must bear some reasonable relation to the expenses actually incurred in the prosecution."). In this case, the assessments for the district court employees' pension fund and the court's building fund could be classified as an indirect expense associated with the prosecution of a case. As such, even if this case were controlled by the

definitions found in §4801, the fact remains that the additional assessments that are at issue in this case met that statue's definition of "costs."

This conclusion is buttressed by MCL 769.1k(1)(b)(iii), which identifies several categories of assessments as "related to the actual costs incurred by the trial court." Among the costs that are deemed to be related to the actual costs incurred by the trial court in MCL 769.1k(1)(b)(iii) are the "[s]alaries and benefits of relevant court personnel" and the "[n]ecessary expenses for the operation and maintenance of court buildings and facilities." MCL 769.1k(1)(b)(iii)(A),(C). Thus, if the distinctions drawn in §4801 between "costs" and "fees" actually applied in this case, MCL 769.1k(1)(b)(iii) stands as an affirmation of the fact that the pension and court building assessments that are at issue in this case must be classified as "costs" since they are "related to the actual costs incurred by the trial court."

For all of these reasons, the Court of Appeals erred in concluding that the additional assessments made by the defendants beginning in 1995 did not fall within the coverage of §8379(1)(c).

RELIEF REQUESTED

Based on the foregoing, plaintiffs-appellants, the City of Huntington Woods and the City of Pleasant Ridge, respectfully request that this Court summarily reverse the Court of Appeals June 11, 2015 decision and remand this matter to the Oakland County Circuit Court for further proceedings. In the alternative, plaintiffs request that the Court grant their application for leave to appeal and give full consideration to the important issues presented in this case.

MARK GRANZOTTO, P.C.
/s/ Mark Granzotto
MARK GRANZOTTO (P31492)
Attorney for Plaintiffs/Counter-Defendants/Appellants
2684 Eleven Mile Road, Suite 100
Berkley, Michigan 48072
(248) 546-4649

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